



Legislation Text

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Report to Mayor and City Council

Tuesday, July 18, 2017

Discussion

SUBJECT:

CONSIDER RESOLUTION NO. 17-096, AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1618U TO ALLOW FILING OF PLANS AND PERMITS NECESSARY TO CONSTRUCT A NEW 156,560 SQUARE-FOOT LOGISTICS FACILITY FOR WATSON LAND COMPANY LOCATED AT 22418 S. BONITA STREET (CITY COUNCIL)

I. SUMMARY

On May 2, 2017, the City Council adopted Interim Urgency Ordinance No. 17-1618U, extending for 10 months and 15 days a moratorium on the establishment, expansion, or modification of truck yards, logistics facilities, hazardous materials or waste facilities, container storage, and container parking (Exhibit No. 1). Section 6 of this Ordinance allows the City Council to make exceptions to the application of this Ordinance. On May 31, 2017, Mr. Lance Ryan, Executive Vice President/Chief Operating Officer representing Watson Land Company, filed a request for an exception to the Ordinance to allow filing and processing of all the necessary applications and/or permits to allow construction of a 156,560 square-foot logistics facility with 47 dock doors (Exhibit No. 2). "Logistics Facility" is defined in Section 2, subsection M, of the Ordinance.

If the City Council determines to allow an exception pursuant to Section 6, such applications and/or permits may continue to be processed in accordance with the City's regulations and authority, and any other applicable laws, ordinances, and regulations. The exception does not mean final approval of the project. Staff recommends adoption of Resolution No. 17-096 approving Watson Land Company's request (Exhibit No. 3).

II. RECOMMENDATION

1. WAIVE FURTHER READING AND ADOPT RESOLUTION NO. 17-096, "AN EXCEPTION TO THE APPLICATION OF INTERIM URGENCY ORDINANCE NO. 17-1618U TO ALLOW FILING OF PLANS AND PERMITS NECESSARY TO CONSTRUCT A NEW 156,560 SQUARE-FOOT LOGISTICS FACILITY PLUS 5,000 SQUARE-FOOT MEZZANINE FOR WATSON LAND COMPANY LOCATED AT 22418 S. BONITA

STREET.”

2. DIRECT THE CITY MANAGER, PLANNING MANAGER, AND CITY ATTORNEY TO ENTER INTO THE AGREEMENTS ARTICULATED IN RESOLUTION NO. 17-096, IN ACCORDANCE WITH THE TERMS STATED THEREIN.

III. ALTERNATIVES

TAKE such other action as the City Council deems appropriate, consistent with the requirements of the law.

IV. BACKGROUND

Proposed Project and Existing Buildings

Watson Land Company is requesting this exception to allow filing of all necessary permits and applications for the construction of a 156,560 square-foot building plus 5,000 square-feet of mezzanine with 36’ of clear height. The proposed building will be replacing two existing buildings totaling 188,900 square-feet. The following provides a description of the existing buildings:

112 Building:

- Existing use: Storage and Distribution (storage of heavy equipment and machinery)
- Number of truck doors: 5 Dock high and 1 ground level
- Building height: 14’ North Warehouse, 18’ South Warehouse
- Floor plan: 153,990 SF (147,500 SF warehouse plus 6,490 SF office)

103 Building:

- Existing use: Storage and Distribution (General products include pallets of crown molding, baseboards or plywood)
- Number of truck doors: 8 Dock high and 1 ground level
- Building height: 23’ minimum clearance
- Floor plan: 43753 SF (41,400 SF warehouse, 2,353 SF office)

Development Impact Fees and Community Facilities District

The total area of the proposed building (156,560) is smaller than two existing buildings (188,900) by 32,340 square-feet or approximately 17 percent. However, staff considers the proposed project to be more intense than the existing buildings for the following reasons:

- Dock high doors are increasing from 13 to 47 (increase of 260%) which plays a significant role in increased truck traffic and volume of goods that can be transported to and from the site.
- The height of the proposed building and the volume of the proposed building are increasing substantially:

	Building Foot Print	Building Height	Volume
Existing Building 103	180 x 230 = 41,400	23	952,200
Existing Building 112 (North Warehouse)	250 x 400 = 100,000	14	1,400,000
Existing Building 112 (South Warehouse)	190 x 250 = 47,500	18	855,000
Total Existing Buildings	N/A	N/A	3,207,200
Proposed Building	824 x 190 = 156,560	36	5,636,160

As demonstrated above, the proposed project is considered an intensification of the existing buildings since the volume of the proposed project is 2,428,960 cubic feet more than the existing buildings or by 75 percent. This increase in the volume of the building allows significantly more storage space than the existing building. This significant increased volume along with the significant increase in dock doors makes this project subject to the one-time Interim Development Impact Fee (IDIF) of \$2.00 per square foot for a total of \$323,120.00. In addition, this intensification will require the applicant to enter into a Development Agreement instead of forming a Community Facilities District (CFD) to pay for on-going costs associated with their project relating to law enforcement, street maintenance, landscape maintenance, street sweeping, and any other impacts. Staff will work with the City's consultant and the developer to determine the amount of the Development Agreement Fee. The developer will be required to enter into a Reimbursement Agreement, Development Agreement, and/or an Interim Development Impact Fee Agreement as determined by the City.

Exception Qualifications

The proposed project is within a Planned Industrial Area; however, provisions of Ordinance No. 17-1618U apply to this project since it is proposing new building with all its associated improvements. Section 6 of Ordinance No. 17-1618U states that the City Council may allow exceptions to the application of this Ordinance, if the City Council determines any of

the provisions included in Section 6.A. 1 through 14 apply to the request. Staff has determined that provisions of Section 6.A.1, 4, 5, 8, 9, 10, 11, 12, 13, and 14. apply to this request. These Sections of Interim Urgency Ordinance state:

1. The City's approval of an application for a permit to establish, expand, or modify a logistics facility within the City's jurisdiction will not have a material negative impact upon the public health, safety, and welfare.
4. The developer or tenant agrees to form or to participate in a Community Financing District (CFD) to pay for ongoing City services, including but not limited to, road maintenance, landscape maintenance, lighting, public safety, storm water management, etc., to the satisfaction of the City Council
5. The developer or tenant enters into an agreement that guarantees the City the same financial assurances offered by a CFD.
8. The facility enters into a development impact fees agreement with the City.
9. The use is permitted or conditionally permitted in the zone;
10. The use is consistent with the purposes of this Ordinance and the General Plan;
11. The use will not be in conflict with any contemplated general plan, specific plan, or zoning code update that the City Council is considering or studying or intends to study;
12. The use is not and will not become a hazardous materials facility, a truck yard, or a container storage facility;
13. The use will not abut a sensitive land use, or the impacts on an abutting sensitive land use can be adequately mitigated with reasonable conditions;
14. The use will not constitute a threat to the public health, safety, and welfare.

V. FISCAL IMPACT

The applicant will be making a one-time payment of \$323,120.00 to the City as well as an undetermined annual payment to pay for City services.

VI. EXHIBITS

1. Ordinance No. 17-1618U. (pgs. 5-18)
2. May 31, 2017 Letter, Mr. Lance Ryan, Executive Vice President/Chief Operating Officer representing Watson Land Company (pgs. 19-27)
3. Resolution No. 17-096. (pgs. 28-31)

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